



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL

The Inspector General

October 6, 2010

MEMORANDUM

TO: Secretary Arne Duncan

FROM: Kathleen S. Tighe *Kathleen S. Tighe*
Inspector General

SUBJECT: Management Challenges for Fiscal Year 2011

The Reports Consolidation Act of 2000 requires the U.S. Department of Education (Department), Office of Inspector General (OIG), to identify and report annually on the most serious management challenges the Department faces. To identify management challenges, we routinely examine issued audit reports where corrective actions have yet to be taken, assess ongoing investigative and audit work to identify significant vulnerabilities, and analyze new programs and activities that could pose significant challenges because of their breadth and complexity. We provided our current challenges report to Department officials and considered all comments received.

Last year we presented three management challenges: the *American Recovery and Reinvestment Act of 2009* (Recovery Act); student financial assistance (SFA) programs, with a focus on the *Ensuring Continued Access to Student Loans Act of 2008*; and information security and management. All three FY 2010 challenges have been carried over as challenges for FY 2011. Data Quality and Reporting, previously a sub-area under the Recovery Act challenge in FY 2010, has been expanded to include other programs and is presented as a challenge for FY 2011.

The FY 2011 management challenges are:

- (1) **Implementation of New Programs/Statutory Changes**, including the Recovery Act and changes to the SFA loan programs;
- (2) **Oversight and Monitoring**, including SFA program participants, distance education, grantees, and contractors;
- (3) **Data Quality and Reporting**, including program data and Recovery Act reporting requirements; and
- (4) **Information Technology Security**.

The Department of Education's mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.